

BNSF Reduces Westbound Wheat Rates on 52 car effective October 1, 2005

In a rare move, the BNSF has reversed its rate actions of August 18, 2005 and restored a 6 cent/bushel differential between the 110 car shuttle rates and the 52 car rates. If you will recall, the BNSF had canceled all 52 car rates in the state and moved the 52 facilities to 26 car rates which were 15-17 cents higher than 110 car shuttle rates on August 18, 2005.

The credit for this revised action of getting the BNSF to restore the historic differentials to the 52 car movements goes to all of the farm groups (Montana Wheat and Barley Committee, Montana Farm Bureau, Montana Farmers Union, Montana Grain Growers Association and Montana Women Involved in Farm Economics) State Government, the Governor and Senator Burns working with the BNSF. To their credit, the BNSF, after universal complaints, took a second look and realized that Montana as a wheat producing area, had good economic reasons to utilize both 110 car shuttle and 52 car facilities.

As announced on the BNSF website on September 22, 2005 the BNSF will be adjusting the Pacific Northwest export market wheat rate spread between 52-car units and 110-car units by \$200 per car (generally 6 cents/bushel) effective October 1, 2005. This change applies only to wheat shipments from ND, MN, MT and SD. This adjustment affects the rates by decreasing the 52's by \$300 or 9 cents a bushel across the board, making the spread between 52's and 110 car shuttles 6 cents except for Havre which 5 cents, in contrast to the .15 cent spread put in on August 18, 2005.